



**El Segundo Power II LLC**  
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**VIA EMAIL AND FIRST CLASS MAIL**

June 15, 2007

Mr. Christopher Meyer  
Compliance Project Manager  
California Energy Commission  
1516 9th Street, MS-200  
Sacramento, CA 95814

**Re: Petition to Amend the California Energy Commission's Final Decision  
for the El Segundo Power Redevelopment Project (00-AFC-14)**

Dear Mr. Meyer:

El Segundo Power II LLC ("ESP II") submits the enclosed Petition to Amend the California Energy Commission's ("CEC") Final Decision approving the El Segundo Power Redevelopment Project ("ESPR"). The Final Decision provided for the conversion of Units 1 and 2 of the El Segundo Generating Station to a combined-cycle facility, which would have, among other things, used an existing system to draw sea water from the Santa Monica Bay for once-through cooling. Modifications identified in this Petition to Amend will result in the elimination of once-through cooling. ESP II requests Commission approval to make four modifications to the project. These proposed changes center on the: 1) modification of the plant's design to Rapid Response Combined Cycle technology; 2) modification of the method of delivery of oversized equipment to include delivery by barge over El Segundo Beach; 3) addition of an offsite laydown area for equipment staging and construction employee parking; and, 4) modification of the plant's access road configuration.

The Rapid Response Combined Cycle technology, or R2C2, involves converting from the previously permitted two-on-one (two combustion gas turbines, one steam turbine) power block configuration to the proposed dual-train one-on-one (two individual combustion gas turbines connected to individual steam turbines) combined cycle power block configuration. In addition, the proposed modifications incorporate two air-to-air heat exchangers for the thermal cycle heat rejection and replace the previously permitted three-pressure, vertically oriented drum heat recovery steam generator ("HRSG") design with a single-pressure HRSG design developed by Siemens. The new technology will allow for the elimination of seawater once-through cooling as part of El Segundo Power's 316(b) compliance program for reducing impingement and entrainment at the facility. The new design is also beneficial in that it will not require the discharge of industrial waste water. Perhaps most importantly, the R2C2 technology will provide unprecedented efficiency in California for a rapid response design that will support electrical grid resource adequacy and provide rapid load shaping to support delivery of renewable energy resources.

Modifying the transport of heavy equipment to ESPR's site will include the delivery of the HRSGs and other major plant equipment (i.e., steam turbines, pipe racks, etc.) across the beach via the transport of a total of six barges. A temporary landing ramp will be constructed to allow for roll-off/roll-on activities. Although construction of the landing ramp will require temporary closing of the bike path to protect the public during deliveries, such interruption of use will be minimal as the ramp can be accessed by bike path users when deliveries are not scheduled and an alternate route will be provided during the short-term path closures.

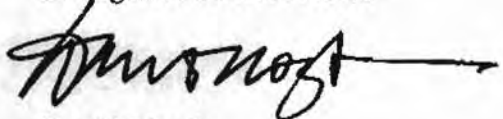
The Final Decision approved several offsite laydown areas, including the FedEx site. Due to the redevelopment of the FedEx site subsequent to the licensing of ESPR, the site is no longer available. This Petition therefore requests the addition of one new off-site location. The new proposed laydown area is located at 777 190th Street in the City of Gardena, near the 405 and 110 freeway interchange. The site is less than 10 miles southeast of ESPR and is readily accessible to previously proposed traffic routes to the ESPR site. Currently, the site is used for commercial truck, RV, and automobile storage. The laydown site is paved, lighted, and enclosed with a perimeter fence and has an approximately 5,500 square foot industrial building on the property.

Finally, this Petition requests Commission approval to make improvements to ESPR's plant entrance road. The current in-plant roadway at ESPR leading from the main entrance gate at Vista Del Mar to the lower level grade of the facility consists of three 90 degree turns, and a maximum slope of 9%, which creates difficult access and equipment delivery issues. To improve the access, the existing entrance road will be widened to 24' wide, the sharp curves eliminated, and the slope decreased where feasible. No modifications to Vista Del Mar will be required to improve the access road.

If these modifications are approved, construction of ESPR is anticipated to begin around September 2008, with a total construction schedule of approximately 18-20 months. Modifications to such project components such as oversized equipment delivery should help to shorten the schedule as set forth in the CEC's Final Decision for ESPR to facilitate delivery of new, efficient, and clean power generating capacity to the electrically constrained southern California region. As is further described in the attached Petition to Amend, these changes bring additional enhancements to the already permitted project, including modernization of the existing, less efficient 1950s steam plant and providing much needed additional power in the western Southern California Edison load center.

On behalf of ESP II LLC, we look forward to your review of this Petition to Amend and the process toward its approval.

Sincerely,  
El Segundo Power II LLC



David Lloyd  
Secretary